

**ST. BERNARD PARISH TOURIST COMMISSION**

**Compiled Financial Statements as of  
December 31, 2013 and for the Year Then Ended  
and Independent Accountants' Compilation Report**

# ST. BERNARD PARISH TOURIST COMMISSION

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Certified Public Accountants & Consultants

## INDEPENDENT ACCOUNTANTS' COMPILATION REPORT

To the Board of  
St. Bernard Parish Tourist Commission  
Chalmette, Louisiana

We have compiled the accompanying statement of net position of St. Bernard Parish Tourist Commission (the Commission) as of December 31, 2013, and the related statements of activities and changes in net position, and cash flows for the year then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

St. Bernard Parish Tourist Commission has not adopted the provisions of Governmental Accounting Standards Board Statement No. 34. The effects of this departure from generally accepted accounting principles has not been determined.

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February 18, 2014

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**ST. BERNARD PARISH TOURIST COMMISSION**  
**STATEMENT OF NET POSITION**  
**DECEMBER 31, 2013**

	<u>2013</u>
<b>ASSETS</b>	
CURRENT ASSETS	
Cash and cash equivalents	<u>\$    135,904</u>
TOTAL CURRENT ASSETS	135,904
 NON-CURRENT ASSETS	
Capital assets, net	<u>620</u>
TOTAL NON-CURRENT ASSETS	620
TOTAL ASSETS	<u><u>\$    136,524</u></u>
 <b>NET POSITION</b>	
Invested in capital assets, net	\$          620
Unrestricted	<u>135,904</u>
TOTAL NET POSITION	<u><u>\$    136,524</u></u>

See accompanying independent accountants' compilation report.

**ST. BERNARD PARISH TOURIST COMMISSION  
STATEMENT OF ACTIVITIES AND CHANGES IN NET POSITION  
FOR THE YEAR ENDED DECEMBER 31, 2013**

**REVENUES**

General revenues:	
Hotel/motel taxes	\$ 61,990
Total general revenues	<u>61,990</u>
Other revenues:	
Visitor center	15
Interest income	281
Contributions	<u>8,198</u>
Total other revenues	<u>8,494</u>
TOTAL REVENUES	70,484

**EXPENSES**

Operations	14,471
Tourism events	8,274
Visitor center	1,035
Professional services	6,273
Depreciation	<u>310</u>
TOTAL EXPENSES	<u>30,363</u>

<b>CHANGES IN NET POSITION</b>	40,121
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<b>NET POSITION BEGINNING OF YEAR</b>	<u>96,403</u>
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<b>NET POSITION END OF YEAR</b>	<u><u>\$ 136,524</u></u>
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See accompanying independent accountants' compilation report.

**ST. BERNARD PARISH TOURIST COMMISSION  
STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED DECEMBER 31, 2013**

CASH FLOWS FROM OPERATING ACTIVITIES	
Increase in net assets	\$ 40,121
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation expense	<u>310</u>
NET CASH PROVIDED BY OPERATING ACTIVITIES	<u>40,431</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>40,431</u>
CASH AND CASH EQUIVALENTS, DECEMBER 31, 2012	95,473
CASH AND CASH EQUIVALENTS, DECEMEBER 31, 2013	<u><u>\$ 135,904</u></u>

See accompanying independent accountants' compilation report.

**ST. BERNARD PARISH TOURIST COMMISSION  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2013**

**NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The St. Bernard Parish Tourist Commission (the Commission) was created by LRS: 33:4574, which authorizes the governing parish in the State of Louisiana to form and create a tourist commission. The Commission shall also be known as the St. Bernard Tourist Commission. Whereby, on July 26, 1988 the St. Bernard Parish Police Jury passed Resolution #RPJ-145-88 to create such a commission.

The domicile of the Commission shall be located at the Visitor Information Center, 409 Aycock Street, Arabi, LA 70032. The mailing address shall be located at P. O. Box 1384, Chalmette, LA 70044.

The objective and purpose of the Commission is to:

- a) Develop and promote St. Bernard Parish as a tourist destination.
- b) Promote St. Bernard Parish's history, culture, museum, parks, art, folk life, recreational and leisure opportunities, natural and scenic resources, attractions, accommodations, and events.
- c) Encourage and coordinate cooperative advertising among other tourism related businesses to increase visibility to St. Bernard Parish.
- d) Increase awareness of St. Bernard Parish's tourism industry through cooperation with local media and participation in community events.
- e) Work together with local fairs and festivals, restaurants, marinas, hotels, tour guides, charter fishing companies and the St. Bernard Civic Auditorium to coordinate tourism opportunities for St. Bernard Parish.
- f) Promote and oversee the state designated "San Bernardo Scenic Byway," (LA Hwy #46), by applying for grant monies for signage, maps, landscaping, etc. for the purpose of attracting tourists to experience the historical and scenic beauty of said Byway and St. Bernard Parish.
- g) Include any other activity for the primary purpose of using tourism to generate public revenue.

The financial statements of the Commission have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the government's accounting principles are described below.

***Commission's Duties and Responsibilities:***

- A. The Commission shall have the power to accept grants, donations of every type, collect and deposit revenue from hotels, motels, Bed & Breakfasts, fishing lodges and any other establishments under the Hotel/Motel Tax, to make capital improvements for the purpose of obtaining federal funds to do all things necessary for the promotion and the advertisement and publication of information relating to tourist attractions within the jurisdiction. The Commission shall have the authority to spend budgeted money for advertising, promotion, and publication of information. The Commission shall have the authority to spend the hotel/motel tax revenue for tourism interest upon the approval of the board.
- B. The St. Bernard Parish Government bid laws shall apply to the purchases of the Commission.
- C. The Commission shall have the authority to exercise any and all rights, powers and authorities granted to it under the laws of the State of Louisiana and the Parish of St. Bernard, including, but not limited to LSA R.S. 33:4574.1, et.seq.

**ST. BERNARD PARISH TOURIST COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

***Membership:***

- A. The Commission shall be governed by a board of seven (7) commissioners to be appointed by the governing authority of St. Bernard Parish.
- B. Appointments shall be made from lists of nominees submitted to the governing authority by private, non-profit groups that have an interest in one or more aspects of the tourist industry.
- C. The commissioners shall be appointed for terms of three (3) years.
- D. The commissioners so appointed shall elect from among themselves a chairman who shall serve as the chairman for a term of one (1) year. Vacancies among the commissioners shall be filled in the same manner that the original appointments are made. In addition to the chairman, the commission shall elect from its membership a vice-chairman, secretary and treasurer.
- E. The Director of Tourism for St. Bernard Parish, or such other person designated by the St. Bernard Parish President, shall serve, without voting rights, as an ex-officio member of the commission.

***Basis of Accounting*** – The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The operating statements of the funds present increases (i.e., revenues and other sources) and decreases (i.e., expenditures and other uses) in net current assets. All governmental fund types and agency funds use the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt are recorded as fund liabilities when due.

Those revenues of the Commission susceptible to accrual are grants, donations and interest. Substantially all other revenues are recorded when received.

***Revenues – Exchange and Non-Exchange Transactions*** – Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place.

Non-exchange transactions, in which the Commission receives value without directly giving value in return, include hotel/motel tax collections, grants and donations. On an accrual basis, revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the Commission must provide local resources to be used for a specific purpose, and expenditure requirements, in which the resources are provided to the Commission on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must be available before it can be recognized.

***Expenditures*** – On an accrual basis of accounting, expenditures are recognized at the time they are incurred. The measurement focus of governmental fund accounting is on decreases in net



**ST. BERNARD PARISH TOURIST COMMISSION**  
**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

financial resources/expenditures rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable.

***Budget and Budgetary Accounting*** – Formal budgetary accounting is employed as a management control device during the year for the general fund.

The budget is adopted for the general fund on a basis consistent with U.S. generally accepted accounting principles (GAAP). All appropriations, which are not expended, lapse at year-end.

***Encumbrances*** – Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Commission.

***Cash and Cash Equivalents*** – Cash includes amounts in demand deposits, interest bearing demand deposits, and money market accounts, if any. The Commission considers all investments purchased with a maturity of three months or less to be cash equivalents.

***Capital Assets*** – Capital assets are reported in the Commission's financial statements at historical cost, net of depreciation. Additions, improvements, or other capital outlays greater than \$5,000 that significantly extend the useful life of an asset are capitalized. Donated assets, if any, are valued at their estimated fair market value on the date received. Costs incurred for repairs and maintenance are expensed. Capital assets are depreciated on a straight-line basis over the following estimated useful lives:

Equipment	5 – 10 years
Building and improvements	10 – 40 years

***Use of Estimates*** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

***Hotel/Motel Taxes*** – Hotel/Motel taxes are normally collected and remitted to the St. Bernard Parish Sheriff's Office monthly. The Sheriff's office delivers a check monthly to the Commission. Hotel/Motel taxes are levied on hotels and motels located within the boundaries of St. Bernard Parish. The tax is to be used for the purpose of promoting St. Bernard Parish as a tourist destination. The Commission recognizes hotel/motel taxes when received from the Parish tax collector.

***Net Assets*** – Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt proceeds used for the acquisition, construction, or improvements of those assets.

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**NOTES TO FINANCIAL STATEMENTS**  
**DECEMBER 31, 2013**

**NOTE B – CASH AND CASH EQUIVALENTS**

At December 31, 2013, the Commission had cash and cash equivalents (book balance) totaling \$135,904 in a checking account. At December 31, 2013 the collected bank balance of \$135,895 was secured from risk by an unlimited amount in federal deposit insurance.

**NOTE C – CAPITAL ASSETS**

The policy of the Commission is additions, improvements, or other capital outlays greater than \$5,000 that significantly extend the useful life of an asset are capitalized. The Commission, in prior years, has chosen to capitalize assets under this threshold. Net capital assets as of December 31, 2013 are \$620. Depreciation expense was \$310 for the year ended December 31, 2013.

	2013
Visitor Center Sign	<u>\$ 1,550</u>
Total	1,550
Less: accumulated depreciation	<u>(930)</u>
Property and equipment, net	<u>\$ 620</u>